

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:1496
ANSWERED ON:09.12.2004
PROFIT EARNED BY OIL COMPANIES
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether all the oil companies in public sector as well private sector in the country have earned profits during the year 2003-2004 and during the first half of the year 2004-2005;
- (b) if so, the percentage thereof vis-à-vis total sales during these periods; and
- (c) the reasons for continuous increase in the profits of these companies despite the rise in the prices of crude oil in the international market?

Answer

MINISTER FOR PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYER)

(a) : All Oil Companies in the public sector, except Biecco Lawrie Ltd, have earned profits during the year 2003-04. During the first half of 2004-05, all these Companies, excluding IBP Company Ltd., have earned profits. The details in respect of private sector companies are not maintained.

(b) : The percentage of net profit to total sales in respect of public sector Oil Companies is given in the Statement attached.

(c) : After the announcement of the dismantling of the Administered Price Mechanism, domestic prices of crude oil have been linked to international prices. The increase in international prices has resulted in improved profits for the upstream companies like Oil & Natural Gas Corporation Ltd. and Oil India Ltd. as a result of better realisation of value for the crude produced. However, downstream companies like Indian Oil Corporation Ltd., Hindustan Petroleum Corporation Ltd., Bharat Petroleum Corporation Ltd., have gained on account of better refinery margins, but have suffered on account of under-recoveries due to the revision of retail selling prices of petroleum products not matching higher international prices.

STATEMENT

Statement referred to in reply to Part (a) of the Lok Sabha Unstarred Question No. 1496 for 9.12.2004 regarding profit earned by oil companies

Profit After Tax earned by Oil Companies

(Figs. In Rs. Crores)

2003-04 2004-05 (April-Sept.)#

Oil & Natural Gas Corporation Ltd.	8664.43	5692.00
Oil India Ltd.	949.70	442.08
GAIL(India) Ltd.	1869.00	795.00
Indian Oil Corp.	7004.82	2711.70
Hindustan Petroleum Corp. Ltd.	1903.94	542.00
Bharat Petroleum Corp. Ltd.	1694.57	468.68
IBP Co. Ltd.	214.66	-69.54
Chennai Petroleum Corp. Ltd.	400.05	291.11
Kochi Refineries Ltd.	555.09	392.00
Bongaigaon Refinery & Petrochemicals Ltd.	303.74	293.73
Numaligarh Refinery Ltd.	214.95	198.48
Balmer Lawrie & Co. Ltd.	18.58	11.97
Mangalore Refinery & Petrochemicals Ltd.	459.42	280.47
ONGC-Videsh Ltd.	428.00	##
Engineers India Ltd.	80.18	48.53
Biecco Lawrie	-2.96	0.30

